

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG ELECTRIC LOGS FILE ☒ WATER SANDS LOCATION INSPECTED SUB. REPORT/abd.

DATE FILED 4/30/90

LAND: FEE & PATENTED

STATE LEASE NO.

PUBLIC LEASE NO. U-66160

INDIAN

DRILLING APPROVED: 5/23/90 (EXCEPTION LOCATION)

SPUDDED IN:

COMPLETED: 11-7-91 LA PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: LA'D PER BLM EFF 11-7-91

FIELD: WILDCAT

UNIT:

COUNTY: EMERY CO. 0010-01

WELL NO. BUSH GOV'T 31-1

API NO. 43-015-30238

LOCATION 2651' FNL FT. FROM (N) (S) LINE, 1647' FWL

FT. FROM (E) (W) LINE. NESW

1/4 - 1/4 SEC.

31

| TWP. | RGE. | SEC. | OPERATOR | TWP. | RGE. | SEC. | OPERATOR |
|------|------|------|-----------------|------|------|------|----------|
| 19S | 11E | 31 | WILLIAM G. BUSH | | | | |

I want to be sure
that I can get
the location exception
approved before going
any further with
the application to
drill. Thanks -
Bill Bush

SUBMIT IN TRIPPLICATE*
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 42-R1425.

PRIOR

PEN OR PLUG BACK

VED
PLUG BACK ☐
SINGLE ☒ MULTIPLE ☐
1990 ZONE

OF
MINING 81506
(by State requirements.)

OFFICE*

h

6. NO. OF ACRES IN LEASE
715

19. PROPOSED DEPTH
1800 ft.

17. NO. OF ACRES ASSIGNED
TO THIS WELL
40

20. ROTARY OR CABLE TOOLS
X

5. LEASE DESIGNATION AND SERIAL NO.
UT U66160

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
U.S.A

9. WELL NO.
Bush Gov't 31-1

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. SEC., T., R., M., OR BLE.
AND SURVEY OR AREA Sec. 31
T 19 S E 11 E

12. COUNTY OR PARISH
Emery

13. STATE
Utah

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

327'

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

3 miles

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6110 ft. Ground

22. APPROX. DATE WORK WILL START*

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|--------------------|
| | | | | |
| | | | | |
| | | | | |

I propose to drill a Moenkopi test. The total depth will be 1800 ft.

I am using this Form instead of the staking form.

I would appreciate the State granting me an exception on the well
location due to Geologic conditions. Coors Energy Co. is willing
to consent to the exception.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED William G. Bush TITLE Operator - Owner DATE Jan. 24, 1990

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE

APPROVED BY TITLE DATE
CONDITIONS OF APPROVAL, IF ANY:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐ PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☐OTHER ☐SINGLE
MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

William G. Bush

3. ADDRESS OF OPERATOR

619 Viewpoint Drive Grand Junction, Colorado 81506

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

2851 from North Line

1647 from West Line NE $\frac{1}{4}$ SW $\frac{1}{4}$

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

18 miles Northeast of Castle Dale, Utah

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any)

327'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

3 miles

16. NO. OF ACRES IN LEASE

715

19. PROPOSED DEPTH

1800 ft.

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

X

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6110 ft. Ground

22. APPROX. DATE WORK WILL START*

23.

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|--------------------|
| | | | | |
| | | | | |
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zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout
prevention program, if any.

24.

SIGNED

William G. Bush

TITLE

Operator - Owner

DATE

Jan. 24, 1990

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

LOCATED AT A POINT WHICH IS 2651.00
FEET SOUTH AND 1647.00 FEET EAST
OF THE NORTHWEST CORNER OF SECTION
31, T19S., R11E., SLM. *ELLE 6110*

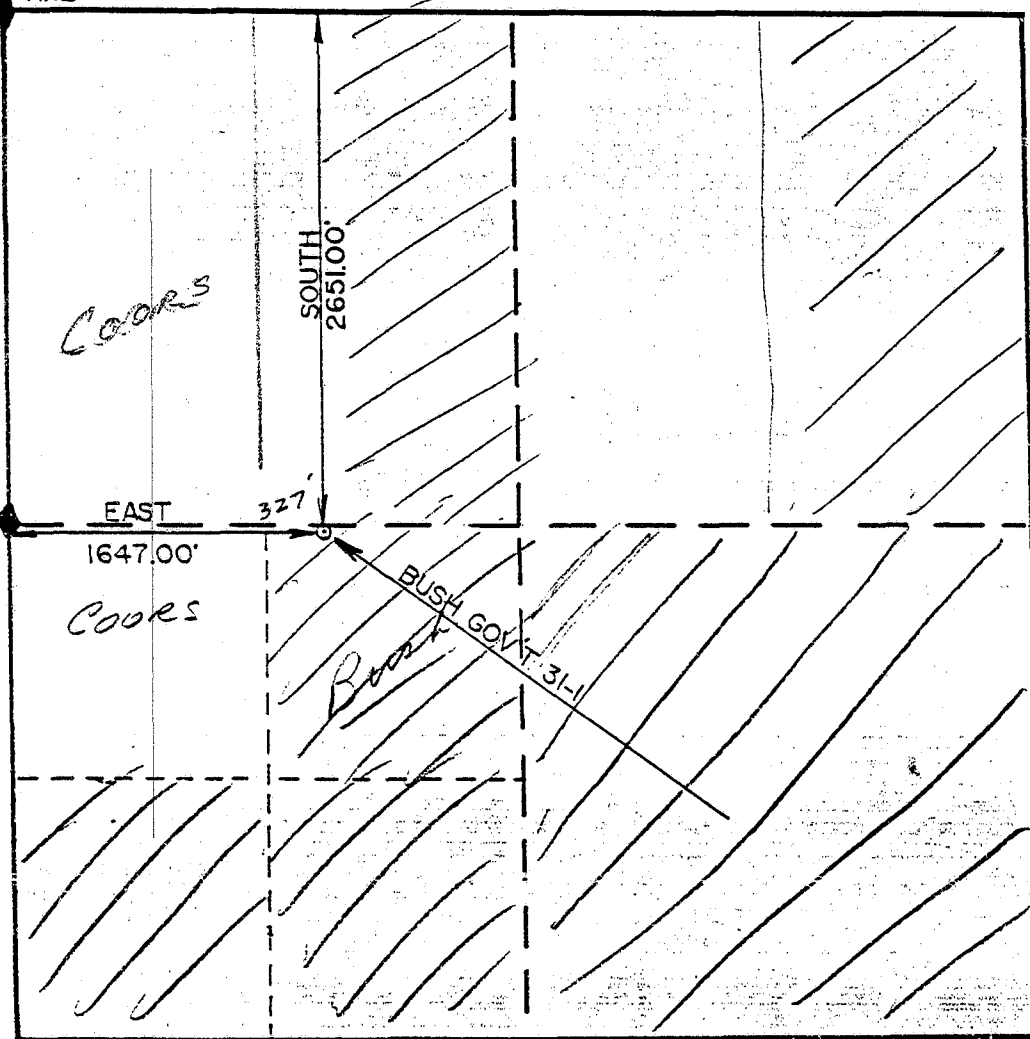
CERTIFICATE

I, *Lee Mont Swasey*, A LICENSED SURVEYOR,
HOLDING UTAH CERTIFICATE No. *5108*, DO HEREBY CERTIFY
THAT THE PLAT SHOWN HEREON HAS BEEN PREPARED FROM
A FIELD SURVEY MADE UNDER MY DIRECTION AND CORRECTLY
SHOWS THE DIMENSIONS AND MONUMENTS OF THE PROPERTY
DESCRIBED TO THE BEST OF MY KNOWLEDGE AND BELIEF.

NW CORNER SECTION 31
T19S.,

R10E R11E

NORTH
(BASIS OF BEARING)



◆ DENOTES LOCATED SECTION OR QUARTER COR.

| SECTION | TOWNSHIP | RANGE |
|---------|----------|---------|
| 31 | 19 SOUTH | 11 EAST |
| DATE | SCALE | BLOCK |
| 1-6-90 | 1"=1000' | |
| PLAT | SURVEY | |
| | | |

LEE MONT SWASEY
REGISTERED LAND SURVEYOR
JOHANSEN & TUTTLE ENGR. INC.
CASTLE DALE, UTAH

SURVEY FOR
WILLIAM G. BUSH
619 VIEWPOINT DRIVE
GRAND JUNCTION, CO. 81506

UT-060-3160-1
(April 1984)

BUREAU OF LAND MANAGEMENT
MOAB DISTRICT
CONDITIONS OF APPROVAL FOR PERMIT TO DRILL

Company William G. Bush Well No. 31-1
Location: Sec: NE/SW 31 T. 19 S R. 11 E Lease No. U 66160
Onsite Inspection Date _____

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to ensure compliance.

A. DRILLING PROGRAM

1. Surface Formation and Estimated Formation Tops:
- | | |
|----------|----------|
| Carmel | Surface |
| Navajo | 150 ft. |
| Hayenta | 600 ft. |
| Wingate | 730 ft. |
| Chinle | 1170 ft. |
| Moenkopi | 1450 ft. |

2. Estimated Depth at Which Oil, Gas, Water, or Other Mineral-Bearing Zones Are Expected to Be Encountered:

| | <u>Formation</u> | <u>Depth</u> |
|-------------------------|------------------|--------------|
| Expected oil zones: | Moenkopi | 1600 ft. |
| Expected gas zones: | None | |
| Expected water zones: | None | |
| Expected mineral zones: | None | |

All fresh water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling will be recorded by depth, cased and cemented. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment: B.O.P. will be checked by pressure method prior to drilling. Rotating head will also be used & checked. Schematic diagram is enclosed.

BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. Preventers will be pressure-tested before drilling casing cement plugs. The Resource Area (will ~~will not~~) be notified 1 days in advance when pressure tests are to be conducted.

4. Casing Program and Auxiliary Equipment:

Surface: Drill 9" hole to 100 feet & set 7" - 23# and cement to surface.

Production: Drill 6 1/4" hole & set 4 1/2" - 9.5#.

Anticipated cements tops will be reported as to depth, not the expected number of sacks. The Resource Area (will ~~will not~~) be notified 1 days in advance when running casing strings and cement.

5. Mud Program and Circulating Medium: The well will be

drilled with air and air mist. Fifty barrels of mud will be on hand and ready for use in case it is needed to kill well or for logging operations.

Blooe line will be misted to reduce fugative dust when air drilling.

6. Coring, Logging and Testing Program:

Drill stem tests are not planned at this time. I plan to run an Induction Log and drill samples will be caught at 10' intervals. No cores will be taken.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, work-over, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the Moab District Manager.

7. Abnormal Conditions, Bottom Hole Pressures and Potential

Hazards: No abnormal gas pressures or temperatures are expected. No hydrogen sulfide or other hazardous gases or fluids have been reported in the area.

8. Anticipated Starting Dates and Notifications of Operations:

The operator will contact the San Rafael Resource Area at Price, Utah, forty-eight (48) hours prior to beginning any dirt work on this location.

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the District Manager. If operations are to be suspended, prior approval of the District Manager will be obtained and notification given before resumption of operations.

The spud date (will/will not) be reported orally to the Area Manager within a minimum of twenty-four (24) hours prior to spudding. Written notification in the form of a Sundry Notice (form 3160-5) will be submitted to the District Office within twenty-four (24) hours after spudding. If the spudding occurs on a weekend or holiday, the written report will be submitted on the following regular work day.

In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 9-329, "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed directly with the BLM District Office, P.O. Box 970, Moab, Utah 84532.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported to the Resource Area in accordance with requirements of NTL-3A.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed for prior approval of the District Manager, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig. In emergency situations, verbal approval to bring on a replacement rig will be approved by the District Petroleum Engineer.

Should the well be successfully completed for production, the District Manager will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) business days following the date on which the well is placed on production.

A first production conference will be scheduled within fifteen (15) days after receipt of the first production report. The Resource Area Office will coordinate the field conference.

No well abandonment operations will be commenced without the prior approval of the District Manager. In the case of newly-drilled dry holes or failures, and in emergency situations,

oral approval will be obtained from the District Petroleum Engineer. A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the District Manager within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.

Approval to vent/flare gas during initial well evaluation will be obtained from the District Office. This preliminary approval will not exceed 30 days or 50 MMCF gas. Approval to vent/flare beyond this initial test period will require District Office approval pursuant to guidelines in NTL-4A.

Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. The marker will be constructed as follows: _____

The top of the marker will be closed or capped.

The following minimum information will be permanently placed on the marker with a plate, cap or beaded-on with a welding torch:

"Fed" or "Ind", as applicable. "Well number, location by ^{1/4} section, township and range". "Lease number".

Other: _____

B. THIRTEEN-POINT SURFACE USE PLAN

1. Existing Roads:

a. Location of proposed well in relation to town or other reference point: eighteen miles East of Castledale, Utah.

b. Proposed route to location: Highway 10 then Easterly on County Road to Buckhorn Flat well and then Wedge Overlook Road to location.

c. Plans for improvement and/or maintenance of existing roads: None

d. Other: _____

2. Planned Access Roads:

a. The maximum total disturbed width will be _____ feet.

b. Maximum grades: _____

c. Turnouts: _____

d. Location (centerline): _____

e. Drainage: _____

f. Surface materials: _____

g. Other: _____

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed will be approved by the Area Manager in advance.

The access road will be rehabilitated or brought to Resource (Class III) Road Standards within sixty (60) days of dismantling of the drilling rig. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.

3. Location of Existing Wells: None

4. Location of Tank Batteries and Production Facilities:

All permanent (onsite for six (6) months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective, earth tone color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within six (6) months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows:

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the battery.

All loading lines and valves will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.

All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed.

Gas meter runs for each well will be located within five hundred (500) feet of the wellhead. The gas flowline will be buried from the wellhead to the meter along with any other sections occurring on the pad. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three (3) months on new meter installations and at least quarterly thereafter. The Area Manager will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration reports will be submitted to the Resource Area Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from:
Huntington Creek. I will contact Cottonwood Irrigation Co.

A temporary water use permit for this operation will be obtained from the Utah State Engineer at Price, Utah.
Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of the land.

6. Source of Construction Material:

Pad construction material will be obtained from: _____
Private Source.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3. Source of construction material (will/will not) be located on lease.

7. Methods of Handling Waste Disposal:

The reserve pit (will/~~will not~~) be lined: If determined during drilling that it is necessary then Bentonite will be used to seal the pit.

Three sides of the reserve pit will be fenced with Net Wire & barbed wire before drilling starts. The fourth side will be fenced as soon as the drilling is completed. The fence will be kept in good repair while the pit is drying.

All trash must be contained and disposed of by: _____
Trash will be contained in a wire cage & will be taken to an approved land fill.

If burning is required, a permit will be obtained from the State Fire Warden None - Do not plan to burn any trash.

Produced waste water will be confined to a (lined/unlined) pit for a period not to exceed ninety (90) days after initial production. During the ninety (90) day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to Onshore Oil and Gas Order No. 3 (NTL-2B).

Other: _____

8. Ancillary Facilities:

Camp facilities (will/~~will not~~) be required. They will be located: _____

9. Well Site Layout:

The reserve pit will be located: on uphill side.

The top 8 inches of soil material will be removed from the location and stockpiled separately on North, South, and East side.

Topsoil along the access road will be reserved in place adjacent to the road.

Access to the well pad will be from: Wedge Overlook Road.

The trash pit will be located: None

10. Plans for Restoration of Surface:

Immediately upon completion of drilling, the location and surrounding area will be cleared of all remaining debris, materials, trash and junk not required for production. _____

Before any dirt work to restore the location takes place, the reserve pit must be completely dry. _____

The operator or his contractor (will/~~will not~~) notify the San Rafael Resource Area at Price, Utah forty-eight (48) hours before starting reclamation work that involves earthmoving equipment and upon completion of restoration measures.

All disturbed areas will be recontoured to the approximate natural contours. _____

The stockpiled topsoil will be evenly distributed over the disturbed areas. _____

Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface. _____

Seed will be broadcast or drilled at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage. . . _____

October - November Seeding. _____

The following seed mixture will be used: Indian Rice Grass - 1#/acre - Needle & Thread 1#/acre - Winter Fat $\frac{1}{2}$ #/acre - Mormon Tea $\frac{1}{2}$ #/acre - Fourwing Salt Bush $\frac{1}{2}$ #/acre and Blue Gramma 1#/acre. _____

The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed. _____

Additional Requirements: _____

11. Surface and Mineral Ownership:

Federal Government.

12. Other Information:

There will be no deviation from the proposed drilling and/or workover program without prior approval from the District Manager. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.2.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3164.

The dirt contractor will be provided with an approved copy of the surface use plan.

A cultural resource clearance (will/will not) be required before any construction begins. If any cultural resources are found during construction, all work will stop and the Area Manager will be notified.

This permit will be valid for a period of one (1) year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

13. Lessee's or Operator's Representative and Certification

Representative:

Name: William G. Bush
Address: 619 Viewpoint Drive
Grand Junction, Colorado 81506
Phone No.: 303-243-0493

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by:

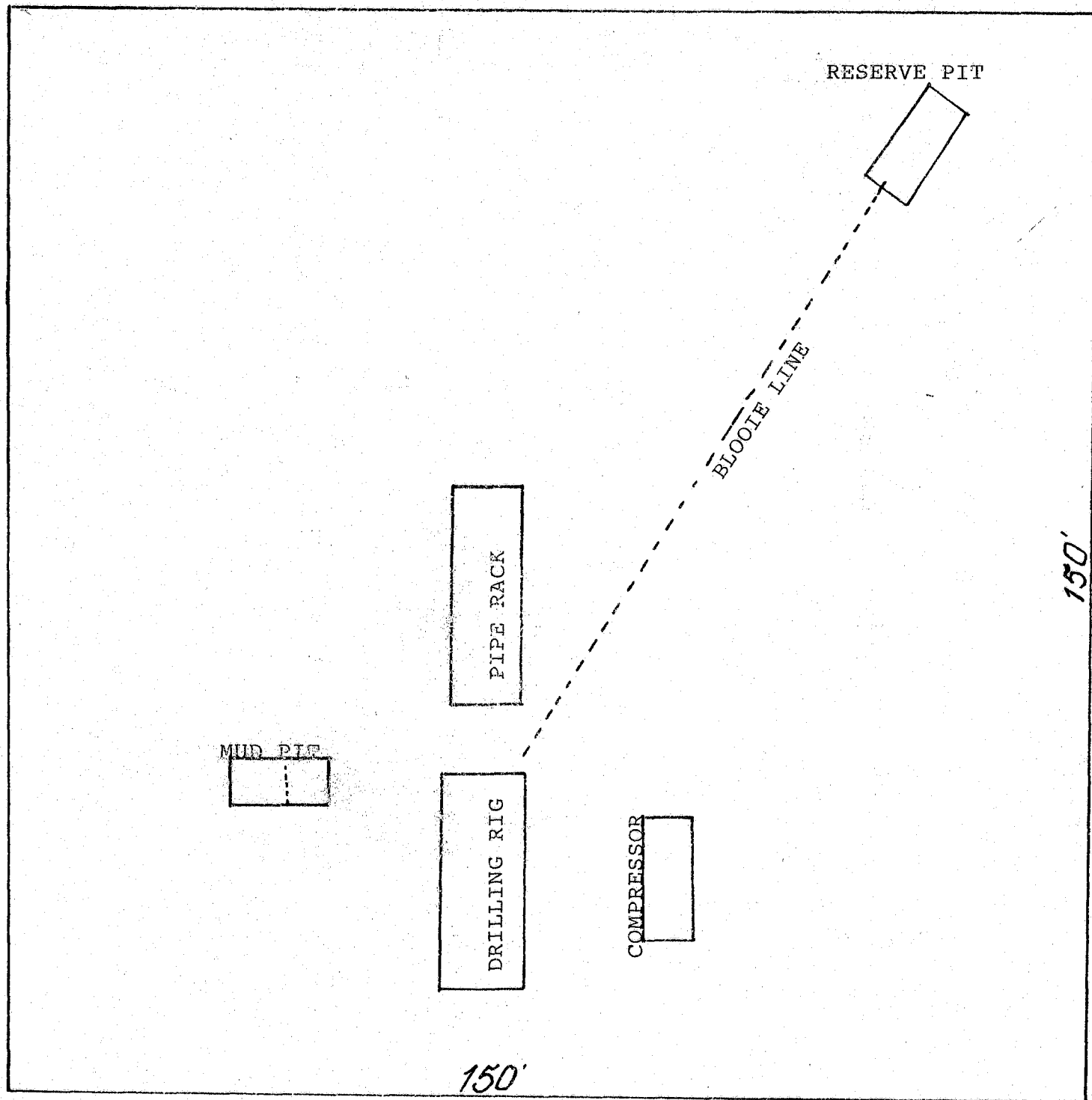
and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

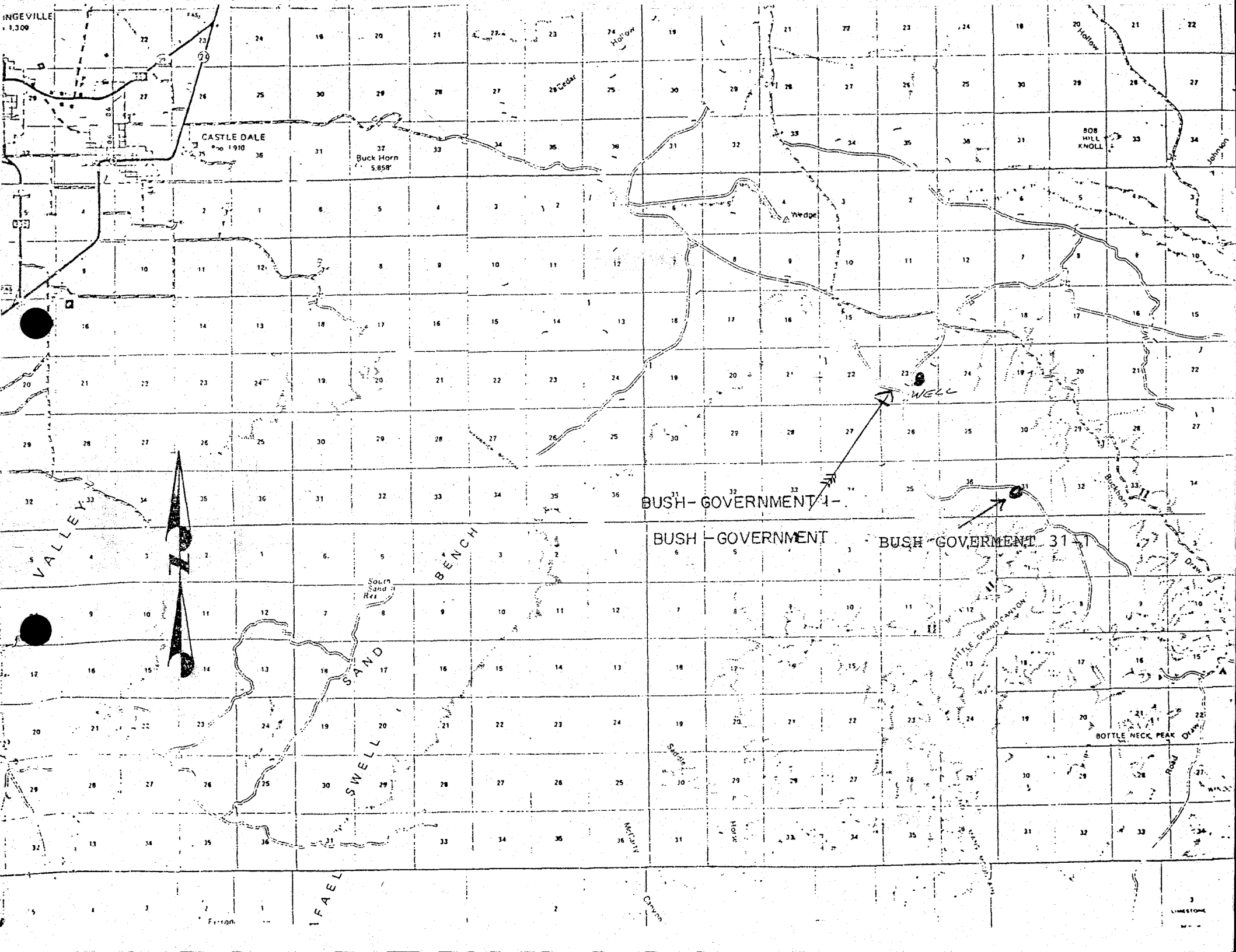
April 26, 1990
Date

William G. Bush - Operator
Name and Title

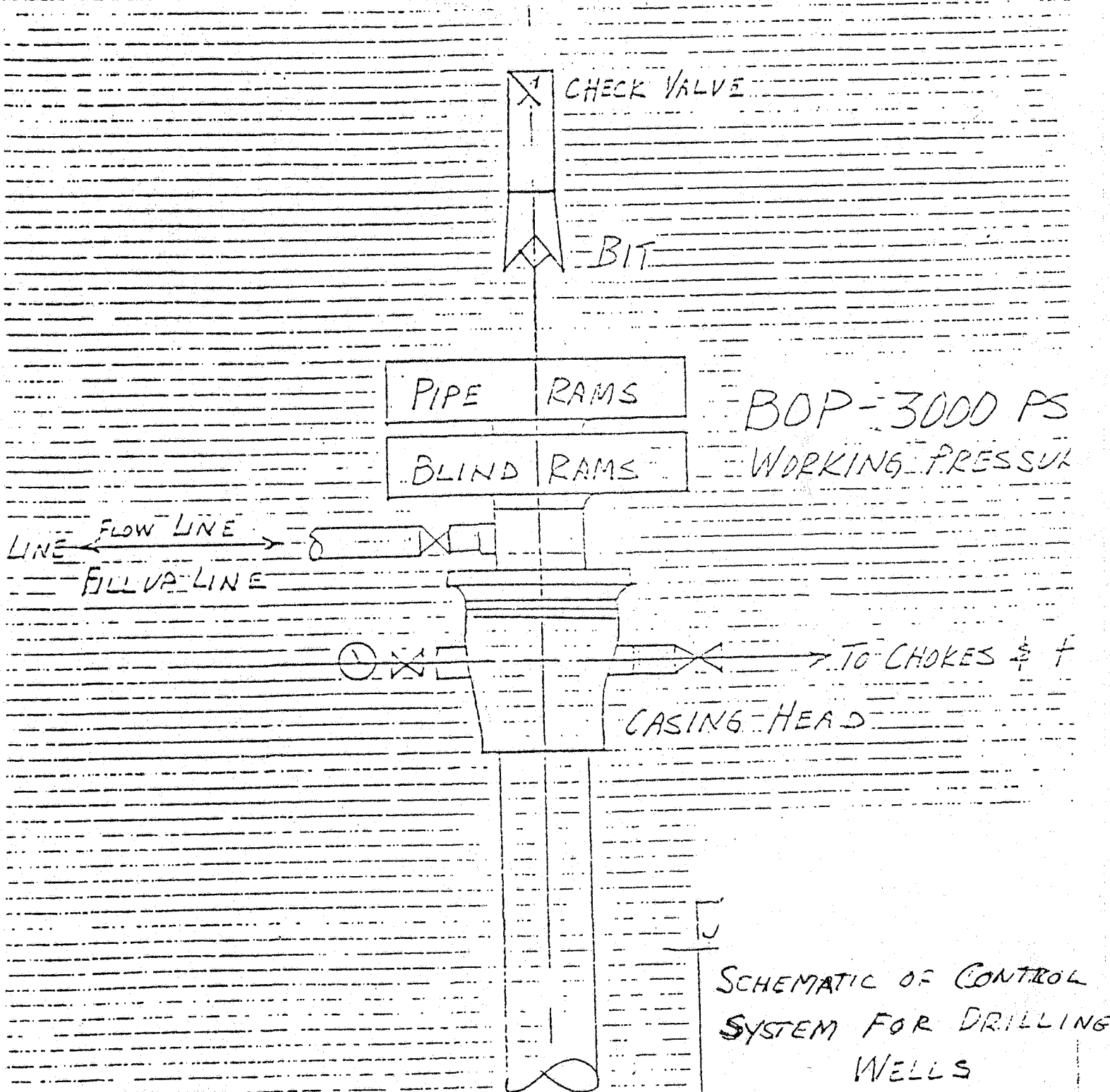
RIG LAYOUT & PAD
for
WILLIAM G. BUSH 31-1

Scale 1" = 20'





WILLIAM G. BUSH
BUSH - GOV'T 31-1





February 8, 1990

Frontier Drilling, Inc.
619 Viewpoint Drive
Grand Junction, CO 81501

Attention: Mr. William G. Bush

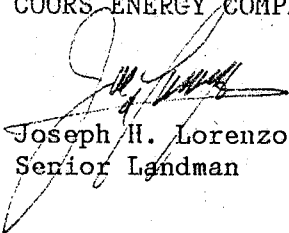
Dear Mr. Bush:

Pursuant to your request of January 24, 1990, this is to advise that Coors Energy Company has no objection to your location of the proposed Bush Government 31-1 well to be located 2,651' fnl and 1,647' fw1 (NE $\frac{1}{4}$ SW $\frac{1}{4}$), Section 31-T19S-R11E, Emery County, Utah. This location does place the subject well within 327' of Coors Lease U-56750.

Should you require anything further in this regard or if I may be of any assistance, please give me a call. I remain

Very truly yours,

COORS ENERGY COMPANY


Joseph H. Lorenzo
Senior Landman

JHL:lp



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

February 13, 1990

Mr. William G. Bush
619 Viewpoint Drive
Grand Junction, Colorado 81506

Dear Mr. Bush:

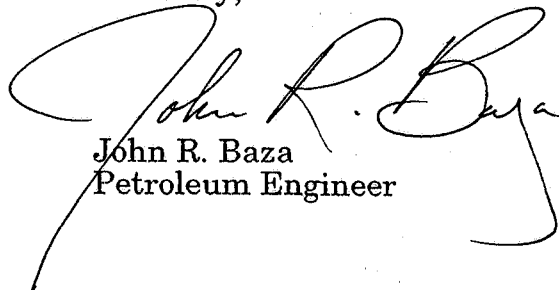
Re: Request for Exception Location, Bush Gov't. #31-1 Well, Section 31, Township 19 South, Range 11 East, Emery County, Utah

In response to your request for exception location recently submitted to the Division of Oil, Gas and Mining, this letter shall inform you that your request appears reasonable and appropriate. Upon submittal of an executed Application for Permit to Drill (APD) for the subject well and a signed letter of consent from Coors Energy Company as offset lease owner, the Division can act to approve the proposed exception.

In accordance with Rule R615-3-3 of the Oil and Gas Conservation General Rules, Exception to Location and Siting of Wells, you must provide written consent from all owners within a 460 foot radius of the proposed well location along with your request for an exception location. You may submit this request at the time of APD submittal, and as long as written consent has been obtained, the Division can begin the approval process immediately. If written consent is not obtained, the Division must publish notice of the proposed action and provide time for filing of objections, thereby lengthening the approval process.

I hope this satisfies your request. If you have any further questions or concerns, please contact me at this office.

Sincerely,



John R. Baza
Petroleum Engineer

cc: D. R. Nielson
R. J. Firth
L. C. Romero
OI2/281

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

5. LEASE DESIGNATION AND SERIAL NO.

UT U66106 U-66160

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

U.S.A.

9. WELL NO.

BUSH Govt. 31-1

10. FIELD AND POOL, OR WILDCAT

Wildcat (001)

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA

Sec 31. T. 19S; R. 11 E.

12. COUNTY OR PARISH

Emery

13. STATE

Utah

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐OTHER ☐MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

William G. Bush

3. ADDRESS OF OPERATOR

619 Viewpoint Drive Grand Junction, Colo. 81506

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

2651 from North line

At proposed prod. zone 1647 from West line NE $\frac{1}{4}$ SW $\frac{1}{4}$

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

18 miles Northeast of Castle Dale, Utah

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LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

327'

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TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

3 miles

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1800 Moenkopi

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Rotary

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6110 Gr.

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June 1, 1990

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|-------------------|-------------------|-----------------|---------------|--------------------|
| 9" | 7" | 23# | 100' | 30 sacks |
| 6 $\frac{1}{4}$ " | 4 $\frac{1}{2}$ " | 9.4 | Total depth | 60 sacks |

I PROPOSE TO DRILL A MOENKOPI TEST. Total depth will be 1800'.

The test will be drilled with air. A 6 $\frac{1}{4}$ " ^{hole} from 100-1800'

I am using this form instead of the staking form.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE

Operator-Owner

DATE April 26, 1990

(This space for Federal or State office use)

PERMIT NO.

43-015-30038

APPROVAL DATE

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

DATE: 5-23-90

BY: John R. Bae

WELL SPACING: 26.15-3-3

LOCATED AT A POINT WHICH IS 2651.00
FEET SOUTH AND 1647.00 FEET EAST
OF THE NORTHWEST CORNER OF SECTION
31, T19S., R11E., SLM. *ELEV. 6110'*

CERTIFICATE

I, *Lee Mont Swasey*, A LICENSED SURVEYOR,
HOLDING STATE LICENSE NO. 6103, DO HEREBY CERTIFY
THAT THE PLAT SHOWN HEREON HAS BEEN PREPARED FROM
A FIELD SURVEY MADE UNDER MY DIRECTION AND CORRECTLY
SHOWS THE DIMENSIONS AND IMPOUNDMENTS OF THE PROPERTY
DESCRIBED TO THE BEST OF MY KNOWLEDGE AND BELIEF.

NO. 10
LEE MONT SWASEY

NW CORNER SECTION 31
T19S.,

R10E R11E

NORTH
(BASIS OF BEARING)

SOUTH
2651.00'

EAST
1647.00'

BUSH GOV'T 31-1

N

♦ DENOTES LOCATED SECTION OR QUARTER COR.

| SECTION | TOWNSHIP | RANGE |
|----------|----------|-------------|
| 31 | 19 SOUTH | 10, 11 EAST |
| SHEET | SCALE | BLOCK |
| 1-6-90 | 1"=1000' | |
| DRAWN BY | | |

LEE MONT SWASEY
REGISTERED LAND SURVEYOR
JOHANSEN & TUTTLE ENGINEERS, INC.
CASTLE ROCK, COLORADO

SURVEY FOR
WILLIAM G. BUSH
619 VIEWPOINT DRIVE
GRAND JUNCTION, CO. 81506

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No.

OFFER TO LEASE AND LEASE FOR OIL AND GAS

UT U66160

The undersigned (reverse) offers to lease all or any of the lands in Item 2 that are available for lease pursuant to the Mineral Leasing Act of 1920, as amended and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands of 1947, as amended (30 U.S.C. 351-359), the Attorney General's Opinion of April 2, 1941 (40 Op. Atty. Gen. 41), or the

READ INSTRUCTIONS BEFORE COMPLETING

1. Name William G. Bush
Street 619 VIEWPOINT DRIVE
City, State, Zip Code GRAND JUNCTION, CO. 81506

2. This application/offer/lease is for: (Check only one) ☒ PUBLIC DOMAIN LANDS

Surface managing agency if other than BLM:

Unit/Project

Legal description of land requested:

*Parcel No.:

*Sale Date (m/d/y):

*SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.

T. 19S R. 11E Meridian SLM State UTAH County EMERY
SEC. 30 - LOTS 3, 4, E²SW SE⁴
SEC. 31 - LOT 4, SE²NE, E²W², SE⁴

Amount remitted: Filing fee \$

75.00

Rental fee \$

1074.00

Total acres applied for

715.97

Total \$

1149.00

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. _____ R. _____ Meridian _____ State _____ County _____

This lease embraces the land and acreage described in Item 2. The rental amount is the amount shown below.

Total acres in lease

715.97

Rental retained \$

1,074.00

This lease is issued granting the exclusive right to drill for, mine, extract, remove and dispose of all the oil and gas (except helium) in the lands described in Item 3 together with the right to build and maintain necessary improvements thereupon for the term indicated below, subject to renewal or extension in accordance with the appropriate leasing authority. Rights granted are subject to applicable laws, the terms, conditions, and attached stipulations of this lease, the Secretary of the Interior's regulations and formal orders in effect as of lease issuance, and to regulations and formal orders hereafter promulgated when not inconsistent with lease rights granted or specific provisions of this lease.

NOTE: This lease is issued to the high bidder pursuant to his/her duly executed bid or nomination form submitted under 43 CFR 3120 and is subject to the provisions of that bid or nomination and those specified on this form.

Type and primary term of lease:

☒ Noncompetitive lease (ten years)☐ Competitive lease (five years)☐ Other

THE UNITED STATES OF AMERICA

by

Chief, Minerals (Signing Officer)

Adjudication Section

(Title)

EFFECTIVE DATE OF LEASE

DEC 1 1989

(Date)

(Continued on reverse)

STATE ACTIONS

Mail to:
RDCC Coordinator
116 State Capitol
Salt Lake City, Utah 84114

-
1. ADMINISTERING STATE AGENCY
OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203
2. STATE APPLICATION IDENTIFIER NUMBER:
(assigned by State Clearinghouse)
-
3. APPROXIMATE DATE PROJECT WILL START:
June 1, 1990
-
4. AREAWIDE CLEARING HOUSE(s) RECEIVING STATE ACTIONS:
(to be sent out by agency in block 1)
Southeastern Utah Association of Governments
-
5. TYPE OF ACTION: ☐ Lease ☒ Permit ☐ License ☐ Land Aquisition
☐ Land Sale ☐ Land Exchange ☐ Other_____
-
6. TITLE OF PROPOSED ACTION:
Application for Permit to Drill
-
7. DESCRIPTION:
William G. Bush proposes to drill a wildcat well, the Bush Govt. 31-1, on federal lease number U-66160 in Emery County, Utah. This action is being presented to RDCC for consideration of resource issues affecting state interests. The U.S. Bureau of Land Management is the primary administrative agency in this case and must issue approval to drill jointly with DOGM before operations can commence.
-
8. LAND AFFECTED (site location map required) (indicate county)
NE/4, SW/4, Section 31, Township 19 South, Range 11 East, Emery County, Utah
-
9. HAS THE LOCAL GOVERNMENT(s) BEEN CONTACTED?
Unknown
-
10. POSSIBLE SIGNIFICANT IMPACTS LIKELY TO OCCUR:
Degree of impact is based on the discovery of oil or gas in commercial quantities.
-
11. NAME AND PHONE NUMBER OF DISTRICT REPRESENTATIVE FROM YOUR AGENCY NEAR PROJECT SITE, IF APPLICABLE:
Jim Thompson, Salt Lake City, 538-5340
-
12. FOR FURTHER INFORMATION, CONTACT: 13. SIGNATURE AND TITLE OF AUTHORIZED OFFICIAL
John Baza
PHONE: 538-5340
- John R. Baza*
DATE: 05/04/90 Petroleum Engineer
-

OPERATOR William G. Bush (No 1607) DATE 5-1-90

WELL NAME Bush Gov't 31-1

SEC NESW 31 T 19S R 11E COUNTY Emery

43-015-30038
API NUMBER

Federal C17
TYPE OF LEASE

CHECK OFF:

☒ PLAT

☒ BOND

☒ NEAREST WELL

☒ LEASE

☒ FIELD

☒ POTASH OR OIL SHALE

PROCESSING COMMENTS:

No other well within 920'
Need Water Permit
RDCC 5-4-90 / Process 5-18-90
Exception Location Requested / Approval from Coors Energy "11-56750"
received 2-8-90.

APPROVAL LETTER:

SPACING: ☐ R615-2-3 N/A
UNIT

☐ R615-3-2

☐ N/A
CAUSE NO. & DATE

☒ R615-3-3

STIPULATIONS:

1. Water Permit



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

May 23, 1990

William G. Bush
619 Viewpoint Drive
Grand Junction, Colorado 81506

Gentlemen:

Re: Bush Gov't 31-1 - NE SW Sec. 31, T. 19S, R. 11E - Emery County, Utah
2651' FNL, 1647' FWL

Approval to drill the referenced well is hereby granted in accordance with Rule R615-3-3, Oil and Gas Conservation General Rules, subject to the following stipulation:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water as required by Chapter 3, Title 73, Utah Code Annotated.

In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification within 24 hours after drilling operations commence.
2. Submittal of an Entity Action Form within five working days following spudding and whenever a change in operations or interests necessitates an entity status change.
3. Submittal of the Report of Water Encountered During Drilling, Form 7.
4. Prompt notification if it is necessary to plug and abandon the well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or Jim Thompson, Lead Inspector, (Home) 298-9318.
5. Compliance with the requirements of Rule R615-3-20, Gas Flaring or Venting, Oil and Gas Conservation General Rules.

6. Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site shall be submitted to the local health department. These drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of General Sanitation, telephone (801) 538-6121.
7. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-015-30238.

Sincerely,



R. J. Fifth
Associate Director, Oil & Gas

lcr
Enclosures
cc: Bureau of Land Management
J. L. Thompson
WE14/8-9

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☐

OTHER ☐

2. NAME OF OPERATOR

William G. Bush

3. ADDRESS OF OPERATOR

619 Viewpoint Drive Grand Junction, Colorado 81506

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

2651 from North line

At proposed prod. zone 1647 from West line

NE $\frac{1}{4}$ SW $\frac{1}{4}$

43-015-30238

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

18 miles Northeast of Castle Dale, Utah

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

327'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

3 miles

16. NO. OF ACRES IN LEASE

715

19. PROPOSED DEPTH

1800

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6110 Gr.

22. APPROX. DATE WORK WILL START*

June 1, 1990

23.

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|--------------------|
|--------------|----------------|-----------------|---------------|--------------------|

| OIL AND GAS | |
|-------------|-----------|
| DFN | RJF |
| JRB | GLH |
| DTS | SLS |
| | |
| | |
| | |
| 1 | MICROFILM |
| 2 | FILE |

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

William G. Bush

TITLE

Operator-Owner

DATE

April 26, 1990

(This space for Federal or State office use)

PERMIT NO.

APPROVAL WITH
Assistant District Manager

APPROVED BY

William C. Stringer

TITLE

DATE

OCT 2 1990

CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED

FLARING OR VENTING OF
GAS IS SUBJECT TO NTL 4-A

Dated 1/1/80

LOCATED AT A POINT WHICH IS 2651.00
FEET SOUTH AND 1647.00 FEET EAST
OF THE NORTHWEST CORNER OF SECTION
31, T19S., R10E., SLM. *ELEV. 6110'*

CERTIFICATE

I, *Lee Mont Swasey* A LICENSED SURVEYOR,
LEE MONT SWASEY
HOLDING UTAH CERTIFICATE No. 2108, DO HEREBY CERTIFY
THAT THE PLAT SHOWN HEREON HAS BEEN PREPARED FROM
A FIELD SURVEY MADE UNDER MY DIRECTION AND CORRECTLY
SHOWS THE DIMENSIONS AND MONUMENTS OF THE PROPERTY
DESCRIBED TO THE BEST OF MY KNOWLEDGE AND BELIEF.

STATE OF UTAH
JAN 15 1991
LEE MONT SWASEY

NW CORNER SECTION 31
T19S.,

R10E R11E

NORTH
(BASIS OF BEARING)

SOUTH
2651.00'

EAST
1647.00'

BUSH GOV'T 31-1



♦ DENOTES LOCATED SECTION OR QUARTER COR.

| SECTION | TOWNSHIP | RANGE |
|---------|----------|-------------|
| 31 | 19 SOUTH | 10, 11 EAST |
| DATE | SCALE | BLOCK |
| 1-6-90 | 1"=1000' | |
| PLAT | SURVEY | |
| | | |

LEE MONT SWASEY
REGISTERED LAND SURVEYOR
JOHANSEN & TUTTLE ENGR INC.
ASTLE DALE, UTAH

SURVEY FOR
WILLIAM G. BUSH
619 VIEWPOINT DRIVE
GRAND JUNCTION, CO. 81506

William G. Bush
Well No. Bush Govt 31-1
NESE Sec. 31, T. 19 S., R. 11 E.
Emery County, Utah
Lease U-66160

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that William G. Bush is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UT0777 (Principle - William G. Bush) via surety consent as provided for in 43 CFR 3104.1.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

A. DRILLING PROGRAM

1. All potential water zones shall be protected with casing and cement if the well proves to be commercial.
2. All fresh water sands shall be noted on a subsequent report (sundry) or well completion report, whether the well is completed or plugged.

EXHIBIT I
STIPULATIONS

A. SPECIAL STIPULATIONS

1. A one-foot-high berm will be constructed around the well pad, except along the road side to prevent any spilled fluids from escaping the well site. As an additional precaution, a 6-inch ditch to carry off any such fluids will line the inside of this berm and empty out into the mud pit or reserve pit.

B. STANDARD STIPULATIONS

1. The holder shall designate a representative(s) who shall have the authority to act upon and to implement instructions from the authorized officer. The holder's representative shall be available for communication with the authorized office within a reasonable time when construction or other surface-disturbing activities are underway.

2. The holder shall contact the authorized officer at least 5 days prior to the anticipated start of construction and/or any surface-disturbing activities. The authorized officer may require and schedule a preconstruction conference with the holder prior to the holder's commencing construction and/or surface-disturbing activities. The holder and/or his representative shall attend this conference. The holder's contractor, or agents involved with construction and/or any surface-disturbing activities associated with the permit/right-of-way, shall also attend this conference to review the stipulations of the grant, including the plan(s) of development.

3. Operations shall be located so as to reduce erosion and improve opportunity for revegetation.

4. The holder shall furnish and apply water or use other means satisfactory to the authorized officer for dust control.

5. All persons in the area who are associated with the project will be informed by the holder that they will be subject to prosecution for disturbing archaeological sites or collecting artifacts. If subsurface cultural material is exposed during construction, work at that spot will stop immediately and the BLM, San Rafael Resource Area Office, will be contacted (phone 801-637-4584). The holder will be responsible for the cost of evaluation of the discovery and proper mitigation measures. Any decision as to proper mitigation shall be made by the authorized officer after consulting with the holder.

6. No construction or routine maintenance activities shall be performed during periods when the soil is too wet to adequately support construction equipment. If such equipment creates ruts in excess of two inches deep, the soil shall be deemed too wet to adequately support construction equipment.

7. Prior to termination of the right-of-way, the holder shall contact the authorized officer to arrange a pretermination conference. This conference will be held to review the termination provisions of the grant.

8. The following seed mixture shall be used at a rate of 5 1/2 pounds per acre. The seeding shall be done between October 1 and November 30.

| <u>Grasses/Species</u> | | <u>Pounds/Acre</u> |
|---------------------------------|-----------------------------|--------------------|
| Indian Ricegrass | <u>Oryzopsis hymenoides</u> | 2 |
| Needleandthread | <u>Stipa comata</u> | 1 |
| Blue Grama | <u>Bouteloua gracilis</u> | 1 |
| <u>Shrubs and Forbs/Species</u> | | |
| Fourwing Saltbrush | <u>Atriplex canescens</u> | 1/2 |
| Torrey Mormon Tea | <u>Ephedra torreyana</u> | 1/2 |
| Winterfat | <u>Eurotia lanata</u> | 1/2 |
| Total | | 5 1/2 |

9. If the drilling results in a dry hole, this right-of-way is automatically terminated when the BLM issues a notification of satisfactory rehabilitation.

- 2000 psi BOP & BOPE:

Annular preventer, or double rams, or two rams with one being blind and one being a pipe ram

Kill line (2 inch minimum)

1 kill line valve (2 inch minimum)

1 choke line valve

2 chokes

Upper kelly cock valve with handle available

Safety valve and subs to fit all drill strings in use

Pressure gauge on choke manifold

2 inch minimum choke line

Fill-up line above the uppermost preventer

- If repair or replacement of the BOPE is required after testing, this work shall be performed prior to drilling out the casing shoe.
- When the BOPE cannot function to secure the hole, the hole shall be secured using cement, retrievable packer or bridge plug packer, bridge plug or other acceptable approved methods to assure safe well conditions.

- Choke Manifold Equipment:

All choke lines shall be straight lines unless turns use tee blocks or are targeted with running tees, and shall be anchored to prevent whip and reduce vibration.

All valves (except chokes) in the kill line, choke manifold and choke line shall be a type that does not restrict the flow (full opening) and that allows a straight through flow.

Pressure gauges in the well control system shall be a type designed for drilling fluid service.

- 2000 psi system - Accumulator Equipment:

Accumulator shall have sufficient capacity to close all BOP's and retain 200 psi above precharge. Nitrogen bottles that meet manufacturer's specifications may be used as the backup to the required independent power source.

Accumulator precharge pressure test: This test shall be conducted prior to connecting the closing unit to the BOP stack and at least once every 6 months.

Power for the closing unit pumps shall be available to the unit at all times so that the pumps shall automatically start when the closing unit manifold pressure has decreased to a pre-set level.

Each BOP closing unit shall be equipped with sufficient number and sizes of pumps so that, with the accumulator system isolated from service, the pumps shall be capable of opening the hydraulically-operated gate valve (if so equipped), plus closing the annular preventer on the smallest size drill pipe to be used within 2 minutes, and obtain a minimum of 200 psi. above specified accumulator precharge pressure.

A manual locking device (i.e., hand wheels) or automatic locking devices shall be installed on all systems of 2M or greater. A valve shall be installed in the closing line as close as possible to the annular preventer to act as a locking device. This valve shall be maintained in the open position and shall be closed only when the power source for the accumulator system is inoperative.

- BOP Testing:

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing if BOP is not isolated from casing. Pressure tests on ram type preventers shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed off of pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test of BOP stack.

Annular BOP pressure tests shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above tests shall be performed:

**When initially installed;

**Whenever any seal subject to test pressure is broken;

**Following related repairs; and

**At 30 day intervals.

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s), the check valve shall be held open or the ball removed.

Pipe and blind rams shall be activated each trip, however this function need not be performed more than once a day

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

- Casing and Cementing:

All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

All casing, except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.

The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.

All of the above described tests shall be recorded in the drilling log.

All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.

Surface casing shall have centralizers on at least the bottom three joints depending on the severity of hole inclination.

Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method., etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.

All casing strings below the conductor shall be pressure tested to 0.22 psi/ft. of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.

- Mud Program Requirements:

The characteristics, use and testing of drilling mud and the implementation of related drilling procedures shall be designed to prevent the loss of well control. Sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring well control.

- Record slow pump speed on daily drilling report after mudding up.

- Visual mud monitoring equipment shall be in place to detect volume changes indicating loss or gain of circulating fluid volume.

- A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, filtration, and pH.

- All flare systems shall be designed to gather and burn all gas. The flare line(s) discharge shall be located not less than 100 feet from the well head, having straight lines unless turns are targeted with running tees, and shall be positioned downwind of the prevailing wind direction and shall be anchored. The flare system shall have an effective method for ignition. Where non-combustible gas is likely or expected to be vented, the system shall be provided supplemental fuel for ignition and to maintain a continuous flare.

- Drill Stem Testing Requirements:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DSTs may be accomplished day or night.

- A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions, or displaced into the formation prior to pulling the test tool. This would involve providing some means for reverse circulation.

- Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

- All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- Special Drilling Operations:

In addition to the equipment already specified elsewhere in Onshore Order No. 2 , the following equipment shall be in place and operational during air/gas drilling:

- Properly lubricated and maintained rotating head;
- Spark arresters on engines or water cooled exhaust;
- Blooie line discharge 100 feet from well bore and securely anchored;
- Straight run on blooie line unless otherwise approved;
- Deduster equipment;
- All cuttings and circulating medium shall be directed into a reserve or blooie pit;
- Float valve above bit;
- Automatic igniter or continuous pilot light on the blooie line;
- Compressors located in the opposite direction from the blooie line a minimum of 100 feet from the well bore;
- Mud circulating equipment, water, and mud materials (does not have to be premixed) sufficient to maintain the capacity of the hole and circulating tanks or pits.

TABLE 1

NOTIFICATIONS

Notify Mike Kaminski of the San Rafael Resource Area, at
(801) 637-4584 for the following:

- 2 days prior to commencement of dirt work, construction or reclamation;
- 1 day prior to spudding;
- 1 day prior to running and cementing surface casing;
- 1 day prior to pressure testing of surface casing.

Notify the Moab District Office, Branch of Fluid Minerals at (801) 259-6111
for the following:

No well abandonment operations will be commenced without the prior approval of the District Manager. In the case of newly drilled dry holes, and in emergency situations, verbal approval can be obtained by calling the following individuals, in the order listed:

| | |
|-------------------------------------|------------------------------|
| Dale Manchester, Petroleum Engineer | Office Phone: (801) 259-6111 |
| | Home Phone: (801) 259-6239 |
| Eric Jones, Petroleum Engineer | Office Phone: (801) 259-6111 |
| | Home Phone: (801) 259-2214 |

If unable to reach the above individuals including weekends, holidays, or after hours, please call the following:

Lynn Jackson, Chief, Branch of Fluid Minerals

Office Phone: (801) 259-6111

Home Phone: (801) 259-7990

24 HOURS ADVANCE NOTICE IS REQUIRED FOR ALL ABANDONMENTS.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☐

OTHER ☐

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

William G. Bush

3. ADDRESS OF OPERATOR

619 Viewpoint Drive Grand Junction, Colo. 81506

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

2651 from North line

At proposed prod. zone 1647 from West line

NE $\frac{1}{4}$ SW $\frac{1}{4}$

43-015-30238 DRL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

18 miles Northeast of Castle Dale, Utah

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

327'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

3 miles

16. NO. OF ACRES IN LEASE

715

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

19. PROPOSED DEPTH

1800

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6110 Gr.

22. APPROX. DATE WORK WILL START*

June 1, 1990

23.

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|-------------------|-------------------|-----------------|---------------|--------------------|
| 9" | 7" | 23# | 100' | 30 sacks |
| 6 $\frac{1}{4}$ " | 4 $\frac{1}{2}$ " | 9.4 | Total debth | 60 sacks |

I PROPOSE TO DRILL A MOENKOPI TEST. Total debth will be 1800' AND GAS

The test will be drilled with air. A 6 $\frac{1}{4}$ " from 100-1800'

I am using this form instead of the staking form.

| | |
|-------------|-----|
| DFN | RIF |
| JOB | HH |
| DIS | SIS |
| 1 MICROFILM | |
| 2 FILE | |

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

William G. Bush

TITLE

Operator-Owner

DATE

April 26, 1990

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

William C. Stenger

Assistant District Manager

TITLE

for Minerals

DATE

10/2/90

CONDITIONS OF APPROVAL, IF ANY:

FLARING OR VENTING OF
GAS IS SUBJECT TO NTL 4-A
Dated 1/1/80

SUPPLEMENTAL

CONDITIONS OF APPROVAL ATTACHED

SUPPLEMENTAL CONDITIONS OF APPROVAL

At the time of final plugging and abandonment, the iron pipe (casing) shall be cut off at ground level and covered by a metal plate (containing all required well hole identification). The metal plate shall be welded or otherwise permanently secured to the pipe.

3762 (U-065)
(U-66160)

RECEIVED

OCT 28 1991

Noab District
P. O. Box 970
Hoab, Utah 84532

DIVISION OF
OIL GAS & MINING

Mr. William G. Bush
619 Viewpoint Drive
Grand Junction, Colorado 81506

Re: Application for Permit to Drill
Well No. Bush Govt 31-1
NESE Sec. 31, T. 19 S., R. 11 E.
Emery County, Utah
Lease U-66160

Operator: William G. Bush
43-015-30238

Dear Mr. Bush:

The Application for Permit to Drill the referenced well was approved on October 2, 1990. Since that date, no known activity has transpired at the approved location.

Applications for permit to drill are effective for a period of one year. In view of the foregoing, this office is rescinding the approval of the referenced application.

Should you intend to drill at this location at a future date, a new application for permit to drill must be submitted.

If you have any questions, please contact the Branch of Fluid Minerals at (801) 259-6111.

Sincerely yours,

/s/ A. Lynn Jackson

Assistant District Manager
Mineral Resources

Enclosure:
As Stated Above

Acting

cc: San Rafael Resource Area (w/o encl.)
State of Utah, Division of Oil, Gas and Mining (w/o encl.) ✓

Vbutts:vb:10/22/91



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter

Governor

Dee C. Hansen

Executive Director

Dianne R. Nielson, Ph.D.

Division Director

355 West North Temple

3 Triad Center, Suite 350

Salt Lake City, Utah 84180-1203

801-538-5340

November 7, 1991

William G. Bush
619 View Point Drive
Grand Junction, Colorado 81506

Dear Mr. Bush:

Re: Well No. Bush Gov't 31-1, Sec. 31, T. 19S, R. 11E, Emery County, Utah,
API No. 43-015-30238

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,

Don Staley
Administrative Supervisor
Oil and Gas

DME/lde

cc: R.J. Firth
Bureau of Land Management - Vernal
Well file

WOI196